

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **OCCUPANCY TAX COORDINATION**

DATE: OCTOBER 25, 2006

Committee Members Present:

Supervisors: Caimano
Tessier
Kenny
Merlino
Wm. Thomas

Committee Members Absent:

Supervisors: Gabriels
Haskell

Others Present:

Joan Sady, Clerk
Paul Dusek, County Attorney
JoAnn McKinstry, Confidential Secretary to the
Commissioner of Administrative and Fiscal
Services
Kate Johnson, Tourism Coordinator
Vonda Beattie, Sr. Account Clerk, Tourism Dept.
Supervisor Stec
Supervisor Champagne
Supervisor F. Thomas
Frank O'Keefe, County Treasurer
Rob Metthe, Information Technology Director
Jeremy Scrim, Information Technology Senior
Programmer/Analyst
Carlene A. Ramsey, Sr. Legislative Office Specialist

Mr. Caimano called the meeting to order at 10:11 a.m.

Motion was made by Mr. Tessier, seconded by Mr. Merlino, and carried unanimously to accept the minutes of the previous meeting, subject to correction by the Clerk.

Vonda Beattie, Senior Account Clerk with the Tourism Department, distributed an Agenda packet to each of the Committee members and a copy is on file with the minutes.

Mr. Caimano began his Agenda review with Item 1a, Occupancy Tax Revenue.

Privilege of the floor was extended to County Treasurer, Frank O'Keefe, who reported the Information Technology Department (IT) had worked with him to develop a new Occupancy Tax Revenue report. He acknowledged the IT Director, Rob Metthe, and IT Senior Programmer/Analyst, Jeremy Scrim, were in attendance today to assist him with the presentation.

Messrs. Stec and Dusek entered the meeting at 10:12 a.m.

Mr. O'Keefe distributed a handout to each of the Committee members and a copy is on file with the minutes. He noted that Mr. Scrim would assist him with a power point demonstration, as he reviewed the details of the report with the Committee members.

Mr. Wm. Thomas entered the meeting at 10:13 a.m.

Mr. O'Keefe directed attention to the handout entitled "Expenditures by Vendor for 2006."

Mr. Scrimme explained the IT Department had developed a system to allow reporting within the Warren County domain. He said authorized users (via password protection) could select the years in question and obtain the information according to town, vendor, etc.

Mr. O'Keefe explained the report was designed to give a quick visual illustration of where the funds were distributed. He noted the chart was color-coded with a list of the top twelve vendors at the bottom of the page.

Next, Mr. O'Keefe explained the handout entitled "Occupancy Tax Expenditures by Object Code for 2006" illustrated how the funds were expended. He noted the County had spent \$1,383,819.54 (60.76%) on Tourism Promotion in 2006.

Mr. Kenny observed the funds spent on Contracts (\$824,586.83 or 36.20%) were actually contracts for tourism promotion, as well. Therefore, he said, he felt the County had spent a total of approximately 97% on tourism promotion.

Continuing, Mr. O'Keefe noted the handout entitled "YTD Occupancy Tax Revenue - Three Year Comparison" presented the funds collected, year-to-date (YTD). He clarified a true comparison of the total funds collected, when compared to the different years, was complicated by the fact that the vendors had reported their collections at different times during the various years.

Mr. Caimano explained that he would like to have a report that came out at the same time every year, to allow them to compare "apples to apples."

Next, Mr. O'Keefe mentioned the handout entitled "Occupancy Tax Revenue by Town Code For 2006" presented the distributions, based upon the percentages earned within each Town. He acknowledged that various Towns have called the Treasurer's Office to find out when the funds would be distributed, and for what amount. He clarified that his Department could only issue the checks, after the Board of Supervisors had authorized the distributions. However, he said, he felt the chart gave a clear illustration of the dollar amounts due to each town.

As for the handout entitled "YTD Occupancy Tax Revenue By Town - Three Year Comparison," Mr. O'Keefe said he felt this chart presented valuable comparative information.

Responding to Mr. Caimano's question, Rob Metthe, IT Director, confirmed the dollar amounts represented January through September for each of the three years ("apples

to apples").

General discussion ensued.

Mr. O'Keefe queried whether or not the handouts contained the type of information the Committee was looking for.

Mr. Caimano, as the Budget Officer, declared the reports were exactly what he needed.

Following a brief discussion, Mr. O'Keefe agreed to provide the above-mentioned reports as of the end of each quarterly period (March, June, September and December).

Mr. O'Keefe asked for clarification as to how frequently the hoteliers were to transmit the Occupancy Tax dollars they had collected.

Mr. Kenny pointed out that Resolution No. 656 of 2006 had introduced an amendment to the Occupancy Tax Local Law (No. 3 of 2006), with a public hearing scheduled for November 17, 2006. The amendment, he said, would require the payments to be submitted "no less frequently than quarterly."

Mr. O'Keefe extended his appreciation to the Committee members for their input on the reports presented. Mr. Caimano commended the Treasurer's Office and the IT Department for all their efforts and attention to detail with the above-mentioned reports.

Mr. O'Keefe said he was optimistic that similar reports on the entire County Budget would be available within the near future.

There being no further questions or comments on the reports, Messrs. Merlino, O'Keefe, Metthe and Scribe left the meeting at 10:35 a.m.

Mr. Caimano resumed Agenda review at Item 1b, New York State Association of Fire Chiefs. Privilege of the floor was extended to Paul Dusek, County Attorney, who reported the negotiations continued. He said the Fire Chiefs had recently agreed to repay the County for any funds expended prior to the event, only if they cancelled for any reason other than "an act of God, fire, strike, unrest, etc."

Mr. Dusek further noted the County had asked the Fire Chiefs for a list of where the County logo would appear. He said he had not yet received such list and he would continue his efforts to finalize the contract negotiations.

Turning to Agenda Item 2, Applications for 2007 Event Funding, Mr. Caimano noted a sample copy was included with the Agenda packet. He queried whether or not the applicants were required to provide information related to other funding sources for

their particular event.

Mr. Dusek explained that Item 16, of the Funding Application, did request such information. Mr. Caimano said he felt the County should receive copies of the bills, as an auditing tool.

Mr. Dusek pointed out the contract agreement would be the appropriate place to discuss the documentation Mr. Caimano had referred to.

Mr. Merlino returned to the meeting at 10:41 a.m.

Mr. Tessier suggested the County should have a list of every dollar spent, and who received it.

Mr. Dusek clarified the Application for Funding, Item 16, requested the list of funding anticipated for the event. He also noted the Contract for Funding would be amended to require copies of any invoices the local municipality had funded would also be submitted to the County. He said, he felt Mr. Tessier's comment would provide a third piece of information, a list from the municipality to show the events it had funded.

General discussion ensued.

Kate Johnson, Tourism Coordinator, reported that throughout the year, on the day after an event occurred, a number of event organizers had come to the County looking for their money. She explained such requests were difficult to handle since no proof of expenses were submitted, and the County's routine audit of vouchers was side-stepped.

Mr. Dusek asked for clarification from the Committee. He said the Committee's request, as he understood it, would require the Towns to send a monthly report of what events had been approved for funding.

Following an extensive discussion on a number of different scenarios, it was the consensus of the Committee that once the Board of Supervisors had authorized a contract to fund an event, the County Attorney's Office would notify the town as to what events had been funded.

Mr. F. Thomas entered the meeting at 10:51 a.m.

Mr. Caimano returned the discussion to the Application For Occupancy Tax Funding, as presented by Mr. Dusek. Mr. Kenny expressed his concern with the wording on page 2 of the Instructions (at Item 3) "... Applications will be considered on a 'first come, first served' basis." He noted the deadline was December 1st and the application was not yet finalized.

Mr. Dusek pointed out there were two sets of instructions: the first one was for all applicants, prior to December 1st; and the second set was for applicants who requested the form after December 1st.

Ms. Johnson pointed out that all event organizers were asked to display the County logo on any promotional items produced for the event. However, she observed, that prior to the Occupancy Tax's existence, Warren County had previously paid for advertisements in some of the promotional items for these "now funded" events (i.e. Winter Carnival and Americade). She explained the Elvis event had given the County "free" ad space in exchange for the Occupancy Tax Event Funding. She suggested the County could request the same "free" ad space from the other events.

General discussion ensued.

Mr. Stec exited the meeting at 10:55 a.m.

Mr. Dusek confirmed that he would make two changes to the Event Funding Contract:

1. To require copies of invoices and town reimbursements to be submitted to the County; and
2. Free ad space shall be made available to Warren County, up to, and including, a full page advertisement.

Ms. Beattie reported that some applications had already been submitted for the December 1st deadline. She asked if the Contract revisions would have any impact on those applications.

Mr. Dusek clarified the applications would not change, just the contract. Mr. Caimano confirmed that Ms. Beattie could accept the applications, as submitted.

Mr. Caimano commented that he felt the funding to the Fire Chiefs should be itemized more precisely. Since the County had already set the maximum funding amount at \$50,000, he said, he felt the "Events Funded" Report should list the \$50,000, with the additional \$100,000 listed separately.

Agenda review continued at Item 3, HA-PE-DE, Inc., as Mr. Caimano pointed out the County contracted their services at the NYSDOT (New York State Department of Transportation) Information Center building on Interstate 87 between Exits 17 and 18.

Mr. Stec re-entered the meeting at 11:00 a.m.

Ms. Johnson reported that Resolution 644 of 2005 amended the contract to allow for \$5,000 in utility costs, and to extend the hours of operation to ten (10) hours on Fridays, May 15th through November 1st each year. In view of the new arrangement, she said, she felt that if a new RFP (request for proposal) had been issued, a number of new vendors would have submitted their bids.

In addition, Ms. Johnson explained, the County had originally been promised free advertising space at the Information Center. Within a short time, she said, the vendor installed a "back-lit display" and began to charge the County \$1,200 a year. She also expressed her concerns that the County had paid to renovate the Information Center's ceiling and heating system, as well. She asked if the Committee felt this was an area that could be cut from the Tourism Budget.

Following a brief discussion, it was the consensus of the Committee to leave the contract with HA-PE-DE, Inc. in the 2007 Tourism Budget.

With regards to the second portion of Agenda Item 2, Event Funding for the City of Glens Falls, Ms. Beattie explained the City had elected to cancel two concerts funded with Occupancy Tax monies. Consequently, she noted, no vouchers would be submitted and the \$4,500 would not be expended.

Mr. Caimano explained the 2007 County Budget was not complete and he tabled Agenda Item 4, Budget Performance Report, until the next meeting.

General discussion ensued.

Mr. Stec, as Supervisor for the Town of Queensbury, pointed out the Towns had not yet received a 2006 distribution of Occupancy Tax Funds.

Following an extensive discussion, motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to authorize the initial distribution of Occupancy Tax Funds to the municipalities in Warren County.

Mr. Kenny said he would like the Resolution to include the stipulation that the 2006 funds would be distributed in 2007 on a quarterly basis.

Mrs. Sady clarified the Towns received the initial \$30,000 in December 2005, and once the 2005 collections were completed, any remaining balances were distributed in the first half of 2006.

Mr. Stec suggested the initial distribution, of \$30,000 to each of the thirteen municipalities, should be automatically processed at the same time each year.

General discussion ensued.

Messrs. Kenny and Merlino amended their motion to stipulate the initial distribution, of \$30,000 to each of the thirteen municipalities, should be distributed annually by October 15th, with the remaining balance to be distributed by June 1st of the following calendar year.

Mr. Caimano called the question and motion was carried unanimously, to authorize:

- a. the 2006 (third) annual agreement between Warren County and municipalities in Warren County for tourism promotion and tourist and convention development services; and
- b. the initial distribution to each of the Warren County municipalities, in the amount of \$30,000, shall be processed by October 15th of each calendar year, with the remaining balance to be distributed by June 1st of the following calendar year.

The Committee further authorized the necessary resolution shall be prepared for the November 17th Board meeting. (No resolution request forms were submitted.)

There being no further business to come before the Committee, on motion by Mr. Tessier and seconded by Mr. Kenny, Mr. Caimano adjourned the meeting at 11:15 a.m.

Respectfully submitted,
Carlene A. Ramsey, Sr. Legislative Office Specialist